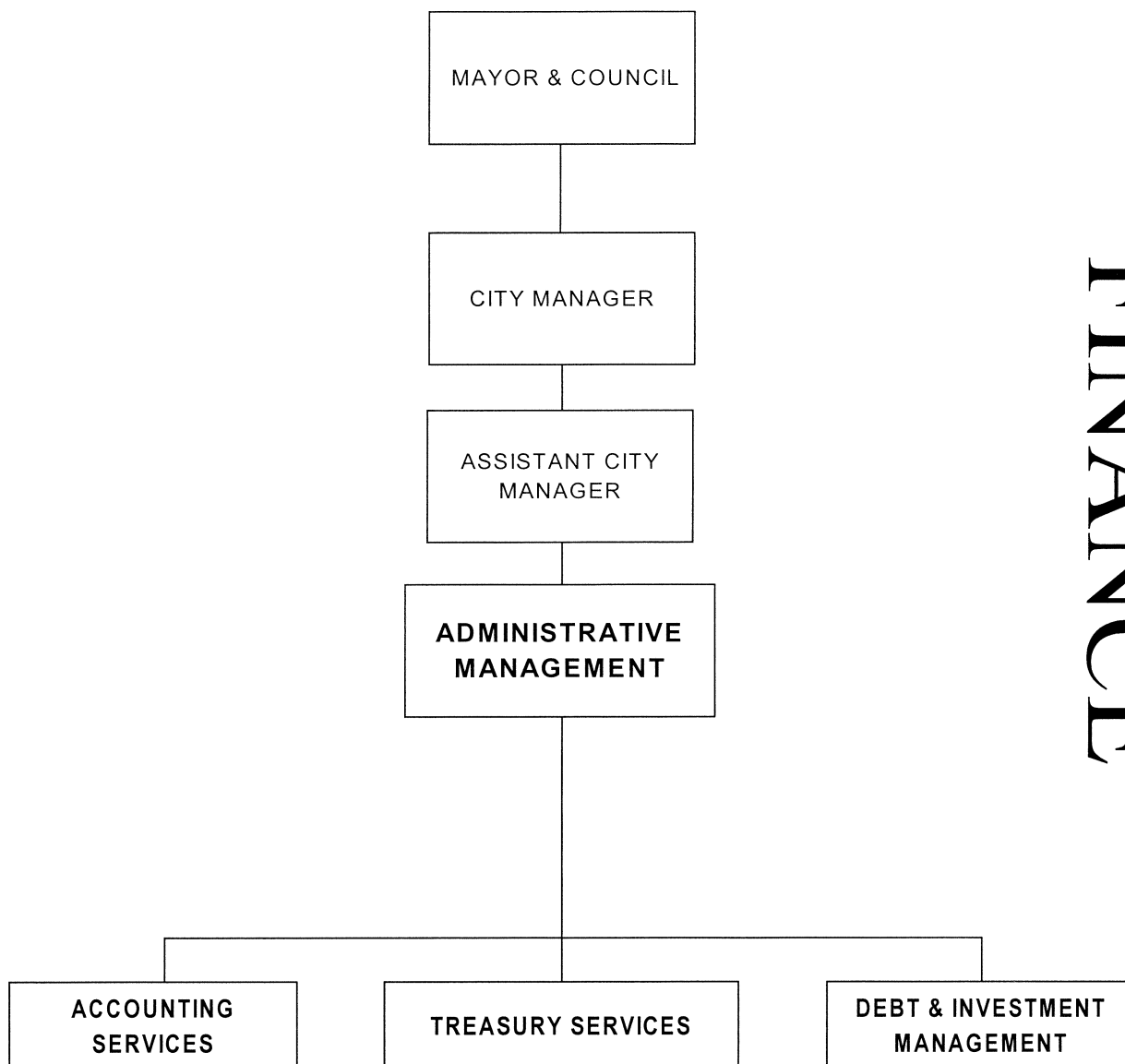


# FINANCE



APPROPRIATIONS BY FUND	FTE	ADOPTED 2004-2005
General Fund	86.00	\$6,714,378
Self-Insurance Workers' Compensation	7.00	*
Community Development Block Grant	5.00	69,225
<b>Total Funding</b>	<b>98.00</b>	<b>\$6,783,603</b>

\* Appropriation totals for these positions appear in their respective funds.

**MISSION STATEMENT**

***The Department of Finance has the fiduciary responsibility to safeguard the City's financial assets and manage its financial resources in accordance with the goals of the City Council, City Manager and in compliance with applicable laws and generally accepted accounting and financial principles.***

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**PROGRAM INFORMATION**

The Department of Finance is responsible for accounting and management of the City's financial assets and resources and financial oversight of public utilities, in accordance with the goals established by the City Council, City Manager and in compliance with applicable laws, principals, rules and regulations promulgated by regulatory agencies of municipal finance and public utility industries. The Department supports all City departments and agencies by providing comprehensive financial services, including accounting, treasury, banking, debt and investment management, ad valorem tax administration, resolution of audit findings and recommendations, along with the coordination and implementation of related internal controls. Responsibilities also include regulatory and financial oversight of all public utilities in San Antonio. Additionally, the Department provides financial oversight of the City's Liability Program, Workers' Compensation Program, Employee Benefits Programs, Fire and Police Pension Fund and Fire and Police Retiree Health Care Fund.

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**GOALS & OBJECTIVES**

- ◆ Assist with implementation of an Enterprise Resource Management (ERM) system including Development Services, Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP), that will provide the infrastructure to enable the City to integrate diverse applications and improved business processes.
- ◆ Provide timely reports (CAFR, Single Audits, Capital Projects Fund Balance Report, Bond Disclosure and Investment Reports) and enhance the quality and efficiency by which financial services are delivered to the citizens, City departments, outside governmental agencies and vendors.
- ◆ Continue comprehensive review, analysis and evaluation of debt management, portfolio investment management and banking services.
- ◆ Evaluate investment and financing opportunities in order to generate revenue, reduce costs and/or refinance existing debt to achieve interest savings.
- ◆ Manage the accounts receivable section and billing process in coordination with ERM system. This action will assist the Department in preserving and proactively managing issues affecting the City's revenue sources.
- ◆ Continue to exercise regulatory/financial oversight over utilities, including rate reviews and the negotiation and management of utility/franchise contracts.
- ◆ Ensure compliance with alcoholic beverage and coin-operated amusement machine license and permit requirements for all applicable businesses through on-site inspections and coordination with the Texas Alcoholic Beverage Commission.
- ◆ Implement Customer First practices by providing training for departmental staff in order to improve the quality of customer service provided by the department.
- ◆ Analyze innovative financing tools and strategies to reduce costs and/or increase revenues for projects funded by Hotel Occupancy Tax revenues.
- ◆ Continue preparation to welcome the Government Finance Officer's Association 99<sup>th</sup> Annual Conference in June 2005. Approximately 6,400 delegates and an additional 2,000 participants and visitors will visit San Antonio. The purpose of the conference is to enhance and promote the professional management of government for the public benefit.
- ◆ Respond to audit findings and recommendations reported by the City Auditor's Office, City's external auditors and grantor agencies, and within reasonable time frames, complete all actions that correct or otherwise resolve matters brought to management's attention.

**BALANCED SCORECARD**

	Strategic Objectives	Performance Measures	Actual FY 03	Rev. Bud. FY 04	Estimated FY 04	Adopted FY 05
<b>Customer</b>	<b>Improve Customer Service</b>					
	Provide timely and user-friendly financial reports and enhance the quality and efficiency by which financial services are delivered	Turnaround Time on CAFR (days) <sup>1</sup>	146	152	182	146
		No. of Accounting Staff Hours Devoted to Annual Audit	10,036	12,000	11,000	12,000
		Avg. No. of Transactions per Accountant per Month	1,717	1,800	1,800	1,900
		Avg. No. of Customers Served per Revenue Cashier per Month	2,769	2,850	2,650	2,600
<b>Financial</b>	<b>Provide Accountability to Public</b>					
	Continue comprehensive review, analysis and evaluation of debt management, portfolio investments and banking services	Value of Investment Trade-Cost Basis (billions) <sup>2</sup>	\$2.58	\$3.06	\$1.82	\$2.28
		Avg. Life of General Bonded Indebtedness at FYE (years)	7.82	7.46	7.61	7.27
		Avg. Cost of Financing General Obligation Debt at FYE	4.63%	4.71%	4.54%	4.53%
		% of Certificates of Obligation	22.88%	25.77%	24.68%	24.52%
	<b>Provide Accountability to Public</b>					
	Ensure compliance with alcoholic beverages and coin-operated amusement machine license and permit requirements	No. of On-Site License Inspections	6,874	6,750	5,750	7,000
		No. of Alcoholic Beverage Warning Violations Issued	486	500	550	600
		No. of Coin-Operated Amusement Machines Sealed	1,211	700	450	550

**BALANCED SCORECARD CONTINUED**

	Strategic Objectives	Performance Measures	Actual FY 03	Rev. Bud. FY 04	Estimated FY 04	Adopted FY 05
Internal Process	<b>Innovative and Proactive City Government</b>					
	Manage the Accounts Receivable Section and centralized billing process in coordination with ERM	Net Revenue Collected After Costs	\$976,702	\$900,000	\$838,030	\$834,070
		% of Cost to Collect Accounts Receivable to Amount Collected	13.7%	17.3%	16.2%	16.6%
	Continue implementation of improvements to the payment and procurement processes	Avg. No. of Vouchers Processed per Accounts Payable Clerk per Month	1,315	1,268	1,710	1,880
		No. of Checks Issued (excluding payroll)	69,578	69,000	66,000	72,600
		No. of Accounts Payable Vendors Paid	13,622	13,340	14,240	15,440
		Turnaround Time for Accounts Payable Checks (business days)	18	18	14	12
Employee Learning & Growth	<b>Improve Information Technology Service Delivery</b>					
	Continue to provide education to staff to improve service delivery	No. of Hours of Training Provided	600	750	1,130	1,270

**EXPLANATORY INFORMATION**

<sup>1</sup> Number of days required to prepare the CAFR for the most recent fiscal year ended.

<sup>2</sup> Value of City's investment portfolio based on the cost of the securities acquired, as of fiscal year end.

**PROGRAM CHANGES****◆ REDIRECTIONS/REDUCTIONS****\$32,298*****REDIRECT TAX INVESTIGATOR POSITION TO FINANCIAL AUDITS***

This **redirection** will shift the responsibilities of the Tax Investigator position from performing on-site inspections of businesses that manufacture, sell or serve alcoholic beverages or have coin operated amusement machines to conducting financial audits on the collections of the Hotel/Motel Occupancy Taxes.

***ELIMINATE ONE VACANT SR. OFFICE ASSISTANT***

This **reduction** will provide for the elimination of one Sr. Office Assistant Position in the Accounts Payable Section. The position currently processes Fire and Police off-duty invoices, Workman's Compensation collections for Police and Fire, subpoenas, preparing hour and dollar adjustments for keypunch, managing all returned W-2's and 1099's for resubmission, and completing verification of employment for Mortgage Companies, Texas department of Human Services, Social Security Administration, and San Antonio Housing Authority. The ERM project will essentially reduce the functions of the position. This reduction will result in total savings to the General Fund of \$28,876 in FY 2005.

***OVERTIME REDUCTION***

During the budget development worksessions, in depth analysis of overtime policies and procedures citywide was conducted, which resulted in identified savings to department budgets through the implementation of more efficient hiring and workflow processes. As a result of this analysis, the Finance Department will be able to reduce their overtime budget by ten percent, or a total of \$1,000 in FY 2005.

***EFFICIENCIES IN CITY VEHICLES USE & MAINTENANCE***

This **reduction** will result in net savings totaling \$2,422 to the Department. Savings will be achieved by eliminating underutilized vehicles from the City's fleet, extending the life of the current fleet from 72,000 miles to 84,000 miles, and increasing in-house fleet and equipment maintenance, repair, and paint & body services, currently provided by the private sector at a higher cost.

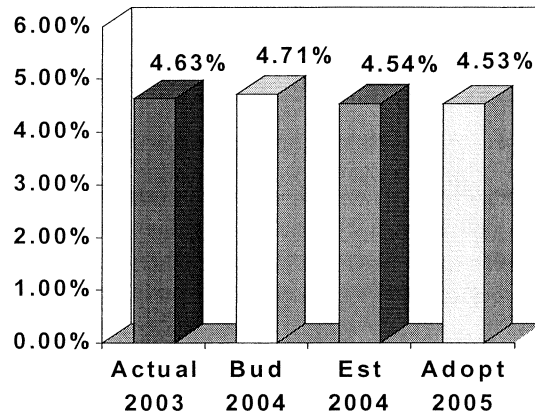
**◆ IMPROVEMENTS****\$52,600*****CASH HANDLING POLICY & PROCEDURES***

This **improvement** totaling \$52,600 will provide for necessary improvements to ensure that proper cash handling policies and procedures and adequate internal controls are in place. Citywide improvements include adding additional positions and selected back ground checks as well as acquiring items such as security cameras, new cash registers, and credit card terminals.

**FINANCE****GENERAL FUND****GENERAL FUND EXPENDITURES BY CHARACTER**

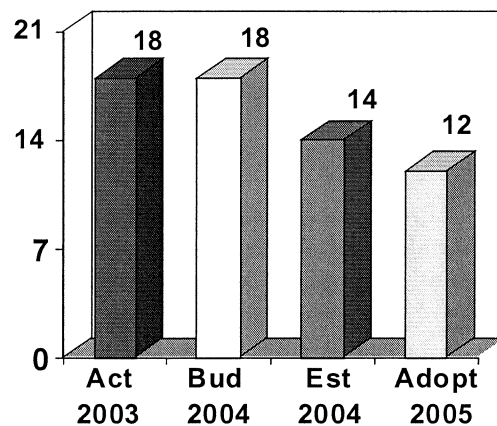
	<b>ACTUAL 2002-2003</b>	<b>REVISED BUDGET 2003-2004</b>	<b>ESTIMATED 2003-2004</b>	<b>ADOPTED 2004-2005</b>
PERSONAL SERVICES	\$3,747,643	\$4,154,673	\$4,220,559	\$4,000,610
CONTRACTUAL SERVICES	3,172,374	3,641,931	3,732,135	2,659,257
COMMODITIES	58,907	32,818	48,333	32,318
OTHER EXPENDITURES	23,548	23,548	23,548	22,193
CAPITAL OUTLAY	4,407	0	10,173	0
<b>TOTAL EXPENDITURES</b>	<b>\$7,006,879</b>	<b>\$7,852,970</b>	<b>\$8,034,748</b>	<b>\$6,714,378</b>
<b>AUTHORIZED POSITIONS</b>	<b>91</b>	<b>89</b>	<b>89</b>	<b>86</b>
<b>FULL-TIME EQUIVALENTS</b>	<b>91.00</b>	<b>89.00</b>	<b>89.00</b>	<b>86.00</b>

### AVERAGE COST OF FINANCING GENERAL OBLIGATION DEBT AT FISCAL YEAR END



✓ Measures average rate of interest on all outstanding general obligation bonds and certificates of obligation at fiscal year end.

### TURNAROUND TIME FOR ACCOUNTS PAYABLE CHECKS (BUSINESS DAYS)



✓ Measures number of business days to process vendor payments.